

DEVELOPMENTS IN THE MIDDLE EAST

HEARING BEFORE THE SUBCOMMITTEE ON MIDDLE EAST AND SOUTH ASIA OF THE COMMITTEE ON INTERNATIONAL RELATIONS HOUSE OF REPRESENTATIVES ONE HUNDRED SEVENTH CONGRESS

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DEVELOPMENTS IN THE MIDDLE EAST

THURSDAY, MARCH 29, 2001

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON MIDDLE EAST AND SOUTH ASIA,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC.

The Subcommittee met, pursuant to call, at 10:12 a.m. in Room 2172, Rayburn House Office Building, Hon. Benjamin A. Gilman [Chairman of the Subcommittee] presiding.

Mr. GILMAN. This morning our Committee on International Relations, Subcommittee on the Middle East and South Asia, conducts a hearing on developments in the Middle East. We are pleased to have Assistant Secretary of State for Near Eastern Affairs, Edward Walker, joining us for the first and apparently the last time as well, at least in his present capacity, and we wish him well in any of his new endeavors.

Before we begin, I would like to note that Secretary Walker will soon be retiring from the Department of State after a long, distinguished career. In his tenure with the Foreign Service, Secretary Walker has served throughout the Middle East with tours that included Syria, Lebanon, Tunisia, Saudi Arabia, the United Arab Emirates, Egypt and Israel. Secretary Walker was confirmed as Ambassador to the United Arab Emirates, Egypt and, most recently, Israel.

Today, I would like my colleagues to join in thanking Secretary Walker for his 34 years of dedicated public service and wishing him well in future endeavors.

[Applause.]

Mr. WALKER. Thank you very much.

Mr. GILMAN. Now to why we are here today. In the past few months there have been a number of changes that have transformed the face of the Middle East and which affect U.S. policy in a variety of regional and global matters. We on the Subcommittee are interested in the Administration's views with regard to these changes, particularly regarding Iraq, Iran, the Israel-Palestinian Authority relationship, Egypt, Jordan, Syria, Lebanon and the Gulf States.

In the past few months, we have seen the reemergence of Saddam Hussein's regime in Iraq as a regional threat. The Subcommittee is interested in the evolution of U.S. policy toward Iraq and the Administration's progress in further developing that policy, including the elimination and inspection of weapons of mass destruction, the implementation and execution of U.S. and inter-

national sanctions on Iraq and continued support for the Iraqi opposition.

The actions taken by Iran on an assortment of issues are of grave concern to all of us, and we would like the Department to elaborate on the Administration's continuing security concerns regarding Iran; specifically Iran's efforts to acquire weapons of mass destruction, their continued support for terrorism and their persistent human rights abuses.

We are also very much interested in the Administration's views on a 5-year extension of the Iran-Libya Sanctions Act, the ILSA. Moreover, the past half year we have seen the rapid deterioration between the Israelis and the Palestinians and a now daily level of violence and terrorism against Israeli citizens. We are especially concerned about Yasir Arafat's incitement and encouragement of the violence and whether our nation is in the process of reassessing its relationship with the Palestinians.

There are numerous other issues to address, of course, especially since President Mubarak and King Abdullah will be in Washington next week and will be meeting with our Committee. I think the Department is well aware of our strong support for a U.S.-Jordan free trade agreement, so we would appreciate a few comments from you about that.

Just yesterday we met with some of the Egyptian-American Chamber of Commerce people. They, too, are interested in a free trade agreement, and we welcome your comments about that.

I know our time is short. We have much to cover this morning, Mr. Secretary. You may read your statement or summarize it, as it will be made part of the record in full. The Subcommittee may send you additional questions to be answered for the record in the event we do not succeed in reviewing all issues of interest in our time limitations.

Before you begin, I want to welcome and acknowledge my colleague, Gary Ackerman of New York, our Ranking Minority Member. He has been a good friend for many years and joins us as a Ranking Democrat of this newly reconstituted Middle East Subcommittee.

Mr. Ackerman?

[The prepared statement of Mr. Gilman follows:]

PREPARED STATEMENT OF THE HONORABLE BENJAMIN A. GILMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK, AND CHAIRMAN, SUBCOMMITTEE ON MIDDLE EAST AND SOUTH ASIA

This morning the Committee on International Relations' Subcommittee on the Middle East and South Asia conducts a hearing on "Developments in the Middle East. We are pleased to have the Assistant Secretary of State for Near Eastern Affairs, Edward Walker, joining us for the first, and apparently, the last time, as well—at least in his present capacity.

Before we begin, I would like to note that Secretary Walker will soon be retiring from the Department of State, after a long and distinguished career. In his tenure with the Foreign Service, Secretary Walker has served throughout the Middle East, with tours that included Syria, Lebanon, Tunisia, Saudi Arabia, the United Arab Emirates, Egypt, and Israel. Secretary Walker was confirmed as Ambassador to the United Arab Emirates, Egypt and most recently, Israel.

Today, I would like my colleagues to join me in thanking Secretary Walker for his 34 years of dedicated service and in wishing him well in his future endeavors.

Now as to why we are here today. In the past few months there have been a number of changes that have transformed the face of the Middle East, and which affect US policy on a variety of regional and global matters. We on the Subcommittee are

interested in the Administration's views with regard to these changes, particularly regarding Iraq, Iran, the Israel-Palestinian Authority relationship, Egypt, Jordan, Syria, Lebanon, and the Gulf States.

In the past few months we have seen the reemergence of Saddam's Hussein's regime in Iraq as a regional threat. The Subcommittee is interested in the evolution of U.S. policy toward Iraq, and the Administration's progress in further developing that policy, including the elimination and inspection of weapons of mass destruction, the implementation and execution of US and international sanctions on Iraq, and continued support for the Iraqi opposition.

The actions taken by Iran on an assortment of issues are of grave concern to us, and we would like the Department to elaborate on Administration's continuing security concerns regarding Iran, specifically Iran's efforts to acquire weapons of mass destruction, their continued support for terrorism, and persistent human rights abuses. We are also very interested in the Administration's views on a five-year extension of the Iran-Lybia Sanctions Act.

Moreover, in the past half-year we have seen the rapid deterioration between the Israelis and the Palestinians and a now daily level of violence and terrorism against Israeli citizens. We are especially concerned about Yasser Arafat's incitement and encouragement of the violence, and whether the United States is in the process of reassessing its relationship with the Palestinians.

There are numerous other issues to address, especially since President Mubarak and King Abdullah will be in Washington next week. I think the Department is well aware of our strong support for a U.S.-Jordan Free Trade Agreement, so we would appreciate a few comments from you about that.

I know our time is short and we have much to cover this morning. Mr. Secretary, you may read your statement or summarize it, as it will be made part of the record of this hearing. The Subcommittee may send you additional questions to be answered for the record in the event that we do not succeed in reviewing all the issues of interest.

Before you begin, I want to welcome and acknowledge my colleague, Gary Ackerman of New York, who has been a good friend for many years and who joins us as the ranking Democrat of this newly reconstituted Middle East Subcommittee. Mr. Ackerman, do you have any opening comments?

(Please proceed, Mr. Secretary; your entire statement has been made part of the record)

Mr. ACKERMAN. Thank you very much, Mr. Chairman, and congratulations on chairing what some of us think is the most important Subcommittee in the Congress. We have every confidence in your ability to do the kind of evenhanded and brilliant job that you usually do.

Thank you also for calling this very timely hearing. We meet this morning to discuss the broad range of issues that face the U.S. in a region of the world where we have so many vital national interests. We do so at a time when the region is closer to a major conflict than it has been in over a decade, yet less than 8 months ago we were on the brink of an agreement that could have brought peace to Israel and her neighbors.

Despair is the word that I hear most often to describe the current mood in the region. We could discuss endlessly what went wrong and who was to blame, but I hope that this morning we will be able to get a clear sense from the Bush Administration of what they see as the way forward for the U.S. and our allies in the region.

In my own view, I believe that Prime Minister Sharon is correct. Violence cannot be a negotiating tactic in a peace process. As Secretary Powell said in his speech before APAC last week, "Leaders have the responsibility to denounce violence, strip it of legitimacy, stop it." I could not agree more.

This is one thing Chairman Arafat could easily do, yet he has not. The fact that he has not undermines the historic basis for Congressional support of U.S. sponsorship of the Middle East peace

process. The basis is the explicit renunciation in word and deed by the Palestinians of all forms of violence to achieve their national aspirations, in return for which we have accepted the Palestinian Authority as a diplomatic partner for peace. Instead, Chairman Arafat has embraced violence as the prime negotiating tactic.

For our part, we have learned that continued caution on the part of the United States Government in condemning and sanctioning the Palestinian Authority for its brazen disregard of its principal obligation amounts to encouraging intransigence, if not the outright resort to violence. The United States, as the invited patron of the peace process, has every right to expect Chairman Arafat and the Palestinian Authority to call publicly and unequivocally for an immediate cessation of all attacks on Israel, its population and its armed forces.

Further, our nation should insist that the security forces under Chairman Arafat's control resume security cooperation with Israel, rearrest security detainees released in October, 2000, and take unmistakable steps to eradicate the local infrastructure of terrorist groups like Hamas, Palestinian-Islamic Jihad and Hizbullah. Until the Palestinian Authority demonstrates a genuine commitment to peace with Israel, the United States must demonstrate that there is a heavy price to pay for the Palestinian decision to resort to violence to win their aims.

Turning to Iraq briefly, it is clear to all that the international consensus to sanctions has broken down. In the Arab world, we are accused of denying food and medicine to starving Iraqi children while our colleagues on the Security Council seek to position themselves for lucrative Iraqi oil concessions when and if the sanctions are altered.

Given the current state of affairs, I agree that it is incumbent upon us to fashion a new international consensus to contain Saddam Hussein, who in my own view remains a significant threat to the region. I would be interested to learn whether the new sanctions regime will result in changes to the no fly zones and ultimately how support for the new and limited sanctions meshes with our policy of regime change in Baghdad.

While we work to establish support for new targeted sanctions against Iraq, I think it is important that we be much more aggressive in our public diplomacy. We need to make it clear that we are not the ones responsible for the suffering of the Iraqi people. That responsibility lies with Saddam Hussein.

Another troubling development comes in the form of new agreements between Russia and Iran that will provide Iran with sophisticated missile systems, attack aircraft, helicopters and tanks. Such agreements clearly show that Russia is no longer interested in exercising any restraint when it comes to conventional armed sales to Iran.

While the signing of agreements is not considered a sanctionable action under U.S. law, I hope that the Administration has pressed the Russians to abandon these sales and, failing that, will apply appropriate sanctions to Russia and retain or expand sanctions on Iran. In particular, I hope that the Administration will support reauthorization of the Iran-Libya Sanctions Act.

One brief last point, Mr. Chairman. I hope that the Administration is making clear to Syria that the United States supports the full implementation of the Taif Accords, in particular with respect to Syria's withdrawal from Lebanon.

We have a lot to talk about this morning, Mr. Chairman, and I look forward to hearing from Assistant Secretary Walker, who has been the mentor and guide to so many of us on so many of the issues, including the subtleties and the nuances as it affects our relationships in the Middle East. I congratulate him for his past service, welcome him here this morning and wish him well on his new endeavors.

Mr. GILMAN. Thank you, Mr. Ackerman.

Without objection, we will proceed with the Secretary's statement so that we can save time.

Mr. Secretary?

STATEMENT OF THE HONORABLE EDWARD WALKER, ASSISTANT SECRETARY, BUREAU OF NEAR EASTERN AFFAIRS, U.S. DEPARTMENT OF STATE

Mr. WALKER. Thank you very much, Mr. Chairman. I am delighted to have this opportunity to be here today. Congratulations on your chairmanship of this very important Subcommittee.

I would like to make a brief opening statement somewhat curtailed from my larger statement, which I will put in for the record.

Mr. GILMAN. Without objection, the full statement will be made part of the record.

Mr. WALKER. This has been a very difficult week for us and for the Middle East. We condemn the attacks of the past few days and offer our condolences to the families of the victims. There is absolutely no justification for the killing of innocent people, especially children.

This Administration has been trying since it took office to encourage both sides to establish an environment that provides a framework for resolving differences and restoring trust and confidence. The violence of this week undermines those efforts. Both sides need to do what they can to end the violence, cease the cycle of action and reaction, renew their bilateral security coordination and work directly with each other to resolve their differences.

This week we also closely watched the Arab summit meeting in Amman. The outcome of the Arab League summit was mixed. On some issues the summit was relatively moderate, while we have significant problems with statements on other issues.

On Iraq, our friends in the Arab League were able to significantly moderate the outcome of the summit language. On Israel-Palestinian issues, however, the temperature in the region is clearly high, and criticism of Israel by the summit was harsh and in some cases unacceptable.

I would like to just mention that concerning the discussion at the summit on the possibility of reviving the economic boycott against Israel, let me say here that we are strongly opposed to any renewal of the boycott of Israel and work to halt such activity. It can only exacerbate the situation.

The one statement, however, did come out of the summit, which I would like to highlight for the Committee. This is a statement

which we can fully ascribe to by the Jordanian Information Minister in his news conference on the Arab summit. Sahab Delefi said:

“Violence breeds violence. We have always called for a way out of the cycle of violence by tackling its causes and roots. We should always say that a just and comprehensive peace which serves all sides’ rights is the only means to achieve stability and security for all the region’s peoples.

“We should denounce all forms of violence, particularly those which claim the lives of innocent civilians. We should employ all efforts to calm the situation or bring the peace process back on track. Without this, we will continue to live inside the cycle of violence and instability which paralyzed the region over the past years and decades.”

That was probably the most constructive statement out of the Arab League meeting.

The Members of this Subcommittee understand profoundly the importance of the Middle East and why this Administration is aggressively engaged in pursuing and promoting our interests there. Secretary Powell’s first overseas trip was to the Middle East. Last week, President Bush welcomed Israeli Prime Minister Sharon to Washington and reaffirmed our close partnership with Israel.

In the coming 2 weeks, Egyptian President Mubarak and Jordanian King Abdullah will visit the White House. Both President Bush and Secretary Powell have had numerous discussions with the other leaders in the Middle East as well, and the Middle East has been a central topic in the conversations with leaders from key nations outside of the region.

We are engaged. We will remain engaged. Press speculation that we are disengaging from the Middle East is dead wrong. The interests and concerns of the American people demand no less.

This Administration will approach the region as an integrated whole. Obviously there are individual issues which have to be treated on their own merits as they arise, but everything we do and everything we say will on any specific issue usually have implications and consequences for our other interests in the region.

Let us now deal with some of the top issues of concern to us. The first and foremost continues to be the search for peace between Israel and its Arab neighbors. Our country has vital strategic and economic interest in the region, and we believe that these interests will best be served by a peace that can be embraced by Israelis, Palestinians and the region as a whole. We also have a vital and strategic interest in the survival and well-being of Israel. That commitment will not flag in this Administration.

Secretary Powell addressed the problem of the Palestinians’ ready violence when he met with Israeli, Palestinian and other leaders during his trip to the Middle East. President Bush is reviewing the situation during his meetings and conversations with key regional leaders.

Throughout these discussions, our approach has been founded on the following premises: The violence must end. Normal economic life must be restored. Incitement to violence, whether by words or by deeds, must stop. Israelis and Palestinians must reestablish a

dialogue at all levels. Both sides must avoid unilateral actions that gratuitously provoke the other, particularly at this critical time.

The United States stands ready to actively support the parties in their efforts toward peace. We will stay involved, but we will not become the negotiating partner for either side. Finally, we will not impose a solution. As Secretary Powell put it, "The United States stands ready to assist, not insist."

Jordan and Egypt are key players in the search for peace and vital partners of the United States. Jordan is an essential moderate pro-peace ally that needs our support politically and economically. The Jordan-U.S. Free Trade Agreement will have a particularly positive impact for Jordan and for our own interests. We are not going to turn our backs on this commitment to King Abdullah.

We value our close relationship with Egypt and our cooperation on political, military and economic issues. The President continues to support fully the assistance we give to Egypt to help it reform its economy and build its military into an effective coalition partner with the United States. President Mubarak is a pivotal player among those who advocate peace in the region. He has publicly condemned calls for violence against Israel and spoken out against economic boycotts of American goods.

The other issue of particular concern is Iraq. In previous testimony to Congress, Secretary Powell said that when he took office he found an Iraq policy in disarray, including a sanctions component that was falling apart. Iraq has been a high priority interest of the Secretary. It has been a high priority of mine. This was one of the major issues the Secretary dealt with during his February trip to the Middle East. It continues to be the focus of frequent policy meetings at the highest levels here in Washington.

We are comprehensively reviewing all aspects of our Iraq policy: sanctions, regime change and our military posture. As part of the review, we have been consulting closely with leaders in the region and member nations of the United Nations Security Council.

We have found widespread agreement that the current Iraqi regime would pose a serious threat if it were given unrestricted freedom to develop its weapons of mass destruction programs and its military and if the United States was to abandon its military position in the Gulf. There is also broad support on the need to counter that threat by focusing international efforts on controlling Iraq's ability to reconstitute its weapons of mass destruction capabilities and to rearm its military forces.

We are working with other nations to change the rules and procedures to give free access for the Iraqi people to humanitarian and civilian goods. At the same time, we hope to solidify a regional consensus on strengthening the controls over Iraq's access to military, weapons of mass destruction and dangerous dual use goods and substantially reduce Saddam Hussein's access to uncontrolled revenues.

We are mindful of the continued need to protect Iraqi civilians from the threats posed by the Iraqi regime. We are also dependent, as is every country in the Gulf, on the military advantage the southern no fly zone provides our forces in the south should Saddam Hussein make good once more on this threats to swallow Kuwait. The difference that the southern no fly zone makes is the dif-

ference between stopping Saddam at the Kuwaiti border and having to pry him out of Kuwait city once more.

We are also looking at our options to work with those who oppose the current Iraqi regime to ensure that our efforts will contribute as effectively as possible to the change for better in that regime. We will continue to work aggressively with the INC, and we will look to other groups and opposition elements as well, both inside Iraq and outside.

Our long-term vision for Iraq is a united, undivided country governed in a way that respects the rights of all Iraqi citizens and that lives in peace with its neighbors.

Mr. Chairman, I would be happy to respond to your questions. Thank you.

[The prepared statement of Mr. Walker follows:]

PREPARED STATEMENT OF THE HONORABLE EDWARD WALKER, ASSISTANT SECRETARY,
BUREAU OF NEAR EASTERN AFFAIRS, U.S. DEPARTMENT OF STATE

I am pleased to be here today to discuss current developments in the Middle East. This has been another challenging and difficult week for the Middle East, marred by continued violence and loss of life. We condemn the attacks of the past few days, and offer our condolences to the families of the victims. There is absolutely no justification for the killing of innocent people, especially children.

This Administration has been trying, since it took office, to encourage both sides to establish an environment that provides a framework for resolving differences and restoring trust and confidence. The violence of this week undermines these efforts. Both sides need to do what they can to end the violence, cease the cycle of action and reaction, renew their bilateral security coordination, and work directly with each other to resolve their differences.

Another event was our veto, on Tuesday, of a proposed United Nations Security Council resolution on the situation in the Middle East. We cast this vote with great regret, but in the belief that it was unbalanced and unworkable, and thus unwise. The draft resolution ignored the most basic precept of peacemaking: The need to encourage the parties to find and implement their own lasting solutions and then to stand ready to help in their implementation. We would have supported a resolution that called on both parties to take the steps necessary to restore confidence, and that expressed the Council's readiness to assist the parties in the implementation of any agreements they reach. However, the road to peace does not begin in New York. It begins in the region, and the parties themselves must make the difficult choices required.

This week, we also closely watched the Arab summit meeting in Amman. Before the summit, we communicated our views to Arab leaders and the Arab world, with special attention given to Iraq and the search for peace. The outcome of the Arab League summit was mixed. On some issues, the summit was relatively moderate, while we have significant problems with statements on other issues. On Iraq, our friends in the Arab League were able to significantly moderate the outcome of the summit language. On Israeli-Palestinian issue, however, the temperature in the region is clearly high and criticism of Israel by the summit was harsh.

The members of this sub-committee understand profoundly the importance of the Middle East, and why this Administration is aggressively engaged in pursuing and promoting our interests there. A review of the first two months in office underlines this fact clearly. Secretary Powell's first overseas trip was to the Middle East, where he met with the leaders of Egypt, Israel, Jordan, Kuwait, Saudi Arabia, Syria, and the Palestinians. Last week President Bush welcomed Israeli Prime Minister Sharon to Washington and reaffirmed our close partnership with Israel. In the coming two weeks, Egyptian President Mubarak and Jordanian King Abdullah will visit the White House. The President and Secretary are looking forward to consulting with them and seeking their views on the regional situation as we review our policies. Both President Bush and Secretary Powell have had numerous discussions with the other leaders in the Middle East as well, and the Middle East has been a central topic in their conversations with the leaders from key nations outside of the region.

We are engaged and we will remain engaged. Press speculation that we are "disengaging" from the Middle East is dead wrong. The interests and concerns of the American people demand no less. We have to press forward, in close consultation

with our friends and allies in the region, as we develop new policies that take into account the very troubled situation we found there.

This Administration will approach the region as an integrated whole. Obviously, there are individual issues which will have to be treated on their own merits as they arise, but everything we do and everything we say will, on any specific issue, usually have implications and consequences for our other interests in the region. I want to make it very clear, we will not shy away from doing what is right or in our own interest just because of fallout on other issues. But we will be very much aware of what that fallout will be and how best to deal with it. We will act with strength and, as the President has promised, with humility. Let no one mistake humility, however, for weakness.

Let us now deal with some of the top issues of concern to us. The first and foremost continues to be the search for peace between Israel and its Arab neighbors. I gather that there are some in the region who believe that our focus on Iraq policy indicates a subordination of our concern about the violence that has seized relations between the Palestinians and Israelis. That would be a false conclusion and one that could lead to misjudgments by our friends and some of our opponents. Our country has vital strategic and economic interests in the region, and we believe that these interests will best be served by a peace that can be embraced by Israelis, Palestinians, and the region as a whole. We also have a vital and strategic interest in the survival and well-being of Israel. That commitment will not flag in this Administration.

For the past six months, the situation has been marked by increasing violence in Israel, the West Bank, and Gaza. This violence has resulted in the deaths of more than 400 Palestinian and Israeli men, women, and children, the majority of them Palestinian. Many more have been wounded in the daily tragedies of bullets and bombs. The violence has undermined the basis of trust and mutual confidence that is critical for building the foundation on which negotiations for peace must be based. Israelis no longer believe that the Palestinians are willing to renounce violence and live in peace with Israel. Palestinians no longer believe that Israelis will ever be ready to treat them equitably as a respected partner.

Secretary Powell addressed this issue when he met with Israeli, Palestinian, and other leaders during his trip to the Middle East. President Bush is reviewing the situation during his meetings and conversations with key regional leaders. Throughout these discussions, our approach has been founded on the following premises:

- The violence must end.
- Normal economic life must be restored.
- Incitement to violence, whether by words or by deeds, must stop.
- Israelis and Palestinians must reestablish a dialogue at all levels.
- Both sides must avoid unilateral actions that gratuitously provoke the other, particularly at this critical time.
- The United States stands ready to actively support the parties in their efforts toward peace. We will stay involved, but we will not become the negotiating partner for either side. Finally, we will not impose a solution. As Secretary Powell put it, "The United States stands ready to assist, not insist."

Beyond the Israeli-Palestinian issue, we continue to support a comprehensive peace in the Middle East, based on UN Security Council resolutions 242 and 338, and the formula of land for peace. This includes continued hope and expectations that the parties might find a mutually acceptable means for movement on the Syrian and Lebanese tracks. We will not be shy about lending our weight to develop momentum in this regard.

Israel's withdrawal from south Lebanon in May 2000, in accordance with UN Security Council Resolution 425, dramatically changed the situation on the ground. After so many years of calling on Israel to implement that resolution, it is bizarre that some parties and people in the region cite Israel's compliance as a sign of weakness. Quite the contrary, it was a sign of unusual strength and leadership on the part of former Prime Minister Barak. Misinterpretation of this Israeli move would be a one-way street to disaster. Accordingly, we have strongly urged all the parties to exercise maximum restraint and avoid provocative and destabilizing activities. We have also worked closely with the United Nations to reinforce Syrian and Lebanese commitments to respect the UN "blue line" established by the Secretary General for the purpose of verifying Israel's withdrawal.

Since Israel's withdrawal from south Lebanon, the Government of Lebanon has taken some steps to exercise its authority in the south. We have been encouraged by these steps to reestablish Lebanese sovereignty over its own territory. Neverthe-

less, Lebanon should do more to re-establish its authority in the south as called for in UN Security Council Resolution 425.

Jordan and Egypt are key players in the search for peace, and vital partners of the United States. Jordan is an essential, moderate, pro-peace ally. By virtue of its geographic location, it is under great pressure from Iraq and cannot ignore the Israeli-Palestinian violence. Jordan needs our support, politically and economically. It is in our own interests to promote a stable, prosperous, pro-peace country on Israel's eastern border. The Jordan-U.S. Free Trade Agreement will have a particularly positive impact for Jordan and for our own interests. It solidifies Jordan's recent economic reforms and will bolster investor and business confidence. We are not going to turn our backs on this commitment to King Abdullah.

We value our close relationship with Egypt and our cooperation on political, military, and economic issues. The President continues to support fully the assistance we give to Egypt to help it reform its economy and build its military into an effective coalition partner with the United States. Egypt's leadership role in the Middle East was amply demonstrated when it became the first Arab state to sign a peace treaty with Israel more than twenty years ago, and again in 1991 when we built an international coalition to liberate Kuwait from Iraqi occupation. Today, President Mubarak is a pivotal player among those who advocate peace in the region, publicly condemning calls for violence against Israel and the use of oil as a weapon. He has spoken out against economic boycotts of American goods and just recently supported our efforts to maintain balance in the Security Council. We anticipate broad consensus in our discussions on the current situation with President Mubarak when he is in Washington next week. And where there are disagreements, such as in our assessment of grievous incitement by some elements of the local Egyptian press, we anticipate candid and open discussion so that we might find common ground.

The other issue of particular concern is Iraq. In previous testimony to Congress, Secretary Powell said that when he took office he found an Iraq policy "in disarray," including a sanctions component that was "falling apart." Iraq has been a high priority interest of the Secretary and it has been a high priority of mine. This was one of the major issues the Secretary dealt with during his February trip to the Middle East. It continues to be the focus of frequent policy meetings at the highest level here in Washington.

We are comprehensively reviewing all aspects of our Iraq policy: Sanctions, regime change, and our military posture. As part of the review, we have been consulting closely with leaders in the region and member nations of the UN Security Council. We have found widespread agreement that the current Iraqi regime would pose a serious threat if it were given unrestricted freedom to develop its Weapons of Mass Destruction (WMD) programs and military, and if the United States was to abandon its military position in the Gulf. There is also broad support on the need to counter that threat by focusing international efforts on controlling Iraq's ability to reconstitute its WMD capabilities and rearm its military forces.

What our friends in the region have been concerned about has been the economic sanctions on civilian goods. These are seen by many as punishing the Iraqi people and strengthening the regime's grip on power, while doing little to diminish Iraq's threat. The plight of the Iraqi people, particularly its poorer segments, is real. The responsibility for that plight is largely attributable to Saddam Hussein, who finds bribery and grand gestures to the poor of other countries to be more pressing than the needs of his own people. We are looking at ways to minimize the extent to which the sanctions adversely affect civilian conditions in Iraq. Unless we take urgent steps to do all we can to alleviate the suffering of the Iraqi people, international concerns about the impact of civilian sanctions will continue to hamper the cooperation we need to clamp down on Iraq's ability to acquire WMD and weapons-related supplies.

We are working with other nations to change the rules and procedures to give free access for the Iraqi people to humanitarian and civilian goods. At the same time, we hope to solidify a regional consensus on strengthening the controls over Iraq's access to military, WMD, and dangerous dual-use goods, and substantially reduce Saddam Hussein's access to uncontrolled revenues to use in supporting his security apparatus, in procuring weapons systems and WMD components, in bribing officials, and in blackmailing those who refuse to cooperate. To facilitate the support and cooperation of regional states, we are exploring ways to protect their economic interests in the event that they are confronted with Iraqi economic retaliation or blackmail.

We remain committed to UN-mandated weapons inspections. UN inspectors have stated their readiness to conduct preparatory work in Iraq and carry out inspections, although Iraq continues to bar their way. Our overall approach, however, will not be dependant on whether or not Saddam Hussein accepts or bars inspectors.

We are mindful of the continued need to protect Iraqi civilians from the threats posed by the Iraqi regime. We are also dependent, as is every country in the Gulf, on the military advantage the southern no-fly zone provides our forces in the south, should Saddam Hussein make good once more on his threats to swallow Kuwait. The difference that the southern no-fly zone makes is the difference between stopping Saddam at the Kuwaiti border or having to pry him out of Kuwait city once more.

We are also looking at our options to work with those who oppose the current Iraqi regime, to ensure that our efforts will contribute as effectively as possible to a change for the better in that regime. We will continue to work aggressively with the INC and we will look to other groups and opposition elements as well, both inside Iraq and outside. As we communicate and cooperate with Iraqi opposition groups, continuing economic support will help to build their credibility, capabilities, and military effectiveness. Our long-term vision for Iraq is a united, undivided country, governed in a way that respects the rights of all Iraqi citizens and that lives in peace with its neighbors.

Let me conclude my opening remarks with a few words on Iran and the Arabian Peninsula nations. Iran is a country of both great challenges and great potential. Its proximity to Iraq, Afghanistan, and the newly independent states of Central Asia and the Caucasus make it a nation that must not be ignored. At the same time, Iran's support for terrorism and its human rights record also cannot be ignored.

In recent years, Iran has been undergoing a dynamic internal debate as to what kind of nation it wants to be. While the headlines focus on dramatic political maneuvering in Iran, we see a continued drive by the Iranian people for government accountability, greater personal freedoms, and more contact with the outside world. We must consider both our concerns and these desires when we look at Iran. We need to continue responding to immediate threats to our national interests, while looking for ways to engage Iran constructively on issues of strategic importance to us all.

Our Gulf Cooperation Council (GCC) allies continue to provide critical support for the defense of our shared security interests in the region. Recent regional developments include the successful conclusion of a long-simmering border dispute between Bahrain and Qatar, two longstanding friends of the United States. We congratulate their leaders for resolving their dispute by accepting the March 16 ruling of the International Court of Justice. Several Gulf countries are also taking steps toward liberalizing political participation. Most recently, Bahraini citizens approved a national referendum that will restore parliamentary life within the next three years.

In Yemen, U.S. investigators have been working steadily with their Yemeni counterparts since the October 12 attack on the USS Cole. Last November we and the Yemenis adopted "agreed guidelines" to govern the joint investigation. Although our investigative systems differ markedly, cooperation has been positive and Yemen is committed to pursuing this investigation to its conclusion.

Mr. Chairman, I would be pleased to respond to your questions.

Mr. GILMAN. Thank you, Mr. Secretary. I have a few questions, and then I will turn to our Members.

I want to thank our Members for their excellent turnout today. It is evident that there is a great deal of interest in the Middle East. I am going to ask our Members to please stay within the 5 minute rule since we have so many Members here today.

I want to commend the President, Mr. Secretary, your office, for the veto in the United Nations with regard to the violence and their criticism of Israel. We just had a very interesting press conference sponsored by the Anti-Defamation League with regard to some of the virulent press by the Egyptian newspapers, which incites anti-semitism and opposition to Israel, and I would welcome eventually some remarks by you with regard to that.

I am concerned about the future of ILSA, the Iran-Libya Sanctions Act, and its renewal. As you know, I was one of the authors of that, along with Senator D'Amato in the Senate.

In a message to the Congress in March, President Bush stated that, "Iran's support for international terrorism, pursuit of weapons of mass destruction and the means to deliver them that led to the

declaration of national emergency in 1995 and comprehensive U.S. economic sanctions has not been resolved and threatens vital U.S. interests. For these reasons, I have determined that I must continue the declaration of national emergency with respect to Iran necessary to maintain comprehensive sanctions." So said President Bush.

The Iran-Libya Sanctions Act plays an important role in the President's strategy. It is designed to deter foreign investment in the Iranian energy sector to undermine the Iranian Government's ability to pursue those policies that threaten our own nation's interests.

If we do not renew ILSA, will we not be sending an improper signal that we are less concerned about the threatening Iranian behavior that the President says is still unresolved? I would welcome your comments.

Mr. WALKER. There is no question that the issues that the former Administration raised with regard to the question of terrorism, the development of weapons of mass destruction and opposition to a peaceful settlement of the Middle East problem have not been resolved. In fact, if anything, I would say in my judgement the problem of Iranian support for terrorism has increased. This is problematic.

At the same time, it is also a country that is undergoing a revolution from within by the vast majority of Iranians who want to see a different approach to the world than is currently being carried out by some of the security agencies that have been involved in the development of terrorism. We want to see those forces supported. Therefore, it is a complex situation that we are dealing with.

The Administration has focused its immediate attention on the immediate problems that we have had, both in terms of the Palestinian-Israeli problem and the violence therein and on the Iraqi situation, which was in the process of collapse.

We are only now beginning to review the policy toward Iran, so I do not have for you today a conclusion on the question of the ILSA and whether it should or should not be continued, but I can assure you it will be taken most seriously, and your concerns about the use of ILSA will also be taken most seriously in our review, and we will let you know as soon as we come to some conclusion on that.

Mr. GILMAN. Thank you, Mr. Secretary. I hope you will express our deep concerns about trying to renew ILSA, which we think is a very important vehicle with regard to the Middle East problems.

Mr. Secretary, we are still waiting for two overdue reports from the Department. One is the PLO Commitments Compliance Act, while the other is the report on the status of Palestinian terrorists who have killed American citizens.

Can you tell us when those reports will be received by our Committee, and will the Department assert that the PLO is in compliance with its commitments, and are the Palestinian killers of American citizens still in Palestinian jail?

Mr. WALKER. On the PLOCCA, PLO Compliance Act report, that is in the final stages of preparation. I realize it is late, Congressman. It was the desire of the new Administration to review all of these reports before they went up. They were largely prepared be-

forehand, so I ask your assistance in recognizing that we have had this delay, but we will do our best to get it up promptly.

Mr. GILMAN. We will welcome that, Mr. Secretary.

Mr. Secretary, on January 20 I wrote to Secretary of State Powell regarding the Mitchell Commission expressing some concerns, but to date I have not received any response. Will you try to expedite a response to me with regard to that letter?

Mr. WALKER. I will look into that. I do not see any reason why we should not get the response to you promptly.

Mr. GILMAN. Thank you.

On Tuesday, the Arab League summit heard an appeal from Iraqi President Saddam Hussein for an Arab war against Israel stating, "We do not agree to any deals on Palestine. All of Palestine from the Jordan River to the Mediterranean, including Jerusalem, is crowned," Saddam said in a message read by his deputy.

How was that appeal received by those in attendance?

Mr. WALKER. I have also circled that clause in Saddam Hussein's statement. It was outrageous, as you know. It is not consistent with the position that has been taken by virtually every other Arab government in the region.

The question of the annihilation of Israel I thought was off the agenda, but then I think that Saddam Hussein should be off the agenda, too.

Mr. GILMAN. One last question. Are you familiar with the newspaper ad that cites the title page of a book in the Palestinian Authority curriculum that says, "There is no alternative to destroying Israel," and the question on the ad notes, "How can we expect Palestinians to make peace with Israel until they first make peace with the very idea of Israel?"

Could you comment on that and what has been done with relation to that?

Mr. WALKER. I am not familiar with that particular quote or that particular book, Mr. Chairman. However, it is certainly not reflective of the broad view of the Arab states that we deal with.

It does not reflect the opinion of our friends in the region, and I would say that it has the support only of the most radical of the elements in the area. If it is reflective of the Palestinian Authority, it is a serious, serious mistake on their part.

Mr. GILMAN. Thank you, Mr. Secretary.

Mr. Ackerman?

Mr. ACKERMAN. Thank you, Mr. Chairman. The Minority is honored by the presence of the Ranking Member of the Full Committee, Mr. Lantos. He is an ex-officio of all our Subcommittees, and insomuch as he has been here with us today we would like to yield first to him to take the first 5 minutes on our side.

Mr. LANTOS. Let me thank my good friend for this most gracious gesture, as well as other Members of the Committee.

First I want to join in Chairman Gilman's commendation of your extraordinary public service. Ambassador Walker, you have done a remarkable job over a long and distinguished career, and we wish you well in your new endeavors.

Mr. WALKER. Thank you.

Mr. LANTOS. I also want to commend you personally, and I want to commend Secretary Powell, Dr. Rice and others, for our veto at

the U.N. This was the right thing to do. It rejected the concept of moral equivalence or functional equivalence among the parties in this conflict, and I think it augers well hopefully for future policies of this Administration.

I would like to run very briefly through the neighbors of Israel and ask you to comment on one item each. Lebanon. We are supporting the Lebanese Army, but the Lebanese Army, contrary to any other military operation on the face of this planet, is not deployed at the one border where it could do some good.

I am introducing legislation to stop our military relationship with Lebanon unless Lebanon deploys its military on the Lebanese-Israeli frontier. It is the ultimate outrage to surrender this critical area to the terrorist groups at various sites. It is long overdue for the government in Beirut, if it is to be considered a government, to deploy its military where it can do some good.

Syria. Syria has agreed to remove its forces from Lebanon when Israel does so. Israel has done so, and I would like to know what steps we are taking, and what steps we are encouraging our European friends to take, to see to it that Syria lives up to its contractual obligation.

Egypt. Egypt has a treaty obligation to maintain a resident Ambassador in Israel. Egypt is in violation of that treaty obligation. My understanding is that following the visit of Mr. Mubarak, the Ambassador will be returned. I would like to ask why the Ambassador has been absent for this length of time.

I would also like to associate myself with Mr. Gilman's comments on the substance of an earlier press conference today about the incredibly vicious hate-filled newspaper articles and cartoons in both the government and the non-government press in Egypt.

There was talk at the Amman Summit of a reimposition of the boycott. We are now drafting legislation which will be introduced next week denying all aid of any type to any Arab country which participates in this boycott, and we would be grateful for your comments.

Finally, with respect to Arafat, he missed a historic opportunity, as he has done before, and we need to reevaluate our relationship with the Palestinian Authority. We have treated the Palestinian Authority in recent times as a friendly governmental entity. If the Authority continues to act as merely an arm of terrorism, this Congress will have to reevaluate its relationship with the Palestinian Authority, and I would be grateful for your comment on that.

What Israel agreed to was land for peace, not land for terror. This policy of Arafat of inciting violence, letting out of prison people who are known terrorists, is an unacceptable formula as far as the American Congress is concerned.

I would be grateful for your comments.

Mr. WALKER. Thank you very much for the opportunity, Mr. Lantos, to comment on all of these issues.

In Lebanon, the Lebanese Government has sent 1,000 security forces, both military and police, to the southern area, but not to the border itself. We have been pursuing this issue with the Lebanese Government consistently over time.

We have had a great deal of help from our French friends in also pursuing this issue. Both of us feel it is extremely important for

the Lebanese Army to fulfill its obligations to fill in the vacuum that was created by the withdrawal of Israel in compliance with their responsibilities under U.N. Security Council Resolution 425.

We agree with you that the vacuum is very dangerous. It is a double vacuum in that it has no security authorities there, and it does not have adequate investment from the Lebanese authorities in development of that area, which gives a free hand to Hizbullah to gain new adherence and to take control of the region.

We have also felt that it is very important for the Lebanese Government to exercise its sovereignty wherever it can in the State of Lebanon as part of the process of moving away from foreign occupation. Therefore, we continue to encourage it.

We have had some positive discussions with Prime Minister Hariri. He made some rather courageous statements about Hizbullah, and its control of refraining from terrorist acts or across border attacks. He has had some positive impact. We have to recognize that there are other factors involved here as well, one of them being the influence of Syria.

In the final analysis, peace will be the best answer to achieve a withdrawal of all Syrian forces from Lebanon, but, in the meantime, we have to continue to work with the Syrian authorities and the Lebanese authorities to try to reduce the influence they have.

With regard to Syria, the Syrians, under President Bashar Assad, have removed some forces and lowered the presence of Syrian troops in Lebanon, but they have certainly not withdrawn their forces. Their influence is still very high. We have made it clear to President Bashar Assad that we support the independence and territorial integrity of Lebanon, and that we would like to see the Taif Accords carried out.

We have encouraged the Lebanese authorities to work with the Syrian authorities to see that this approach is fulfilled. In the final analysis, again our ultimate aim is to have peace treaties between Syria and Israel, and Lebanon and Israel, which would solve this problem.

On Egypt, we agree that the Egyptians should return Ambassador Bassioni to Israel. We think for Egypt's own purposes it is important to have this channel of communication open at all times between Egypt and Israel. It prevents confusion. It adds to the ability of President Mubarak to understand the situation in Israel. Without Ambassador Bassioni, he has one eye closed. That is not a healthy situation. We will urge him when he comes here to move the Ambassador, or any Ambassador he so chooses, back to Israel.

I agree 100 percent with the Chairman and with your comments about the cartoons that Abe Foxman has put together. It is atrocious. It is vicious. It is unacceptable, and it is designed to incite people to violence. It is purely contradictory to the spirit of peace that we want to encourage in the area.

We have gone through this before as you know, Congressman, and we obviously have to continue to push on this matter. It is clear that newspapers that are supported by the governments in the region who get subsidies from governments and whose editors are appointed by officials in the governments have an obligation to encourage the movement toward peace and reconciliation in the re-

gion, not the opposite. We will be talking to President Mubarak about that as well.

Mr. GILMAN. Thank you, Mr. Secretary.

I am going to ask that we stand in recess. We have two votes on the Floor.

Mr. WALKER. Please.

Mr. GILMAN. We will continue as soon as the votes are over. The Committee stands in recess.

[Recess.]

Mr. GILMAN. The Committee will come to order.

Mr. Issa?

Mr. ISSA. Thank you, Mr. Chairman.

Once again, Secretary Walker, I would like to congratulate you on surviving that many years in the business you are in. Staff up here has a picture they want to show you when this is over with. It is very special. It is you with Mr. Arafat. Okay. We will have it destroyed.

I have just a couple of questions today. One of them is if you would comment briefly on the Iran-Kuwait water deal, and what impact you think it will have on the relation between those countries and other moderate Arab countries.

Mr. WALKER. I honestly do not have any information. I do not know about this deal between Iran and Kuwait. A water deal?

Mr. ISSA. Yes. Iran has offered a \$2.5 billion all Iranian investment to build a pipeline to deliver water to Kuwait under a commitment only to buy at a given rate contract. It is under serious consideration in Kuwait. Do you know how the State Department views it.

I realize we do not get in the middle of trade deals. Certainly getting in the middle of water delivery is always dangerous, but I simply wanted your feeling on perhaps what those kinds of deals might do to the relationship between Arab nations and Iran.

Mr. WALKER. Well, there is no question that the overall issue of water in the Middle East is a critical issue. It is one that is a potential disaster for a number of the countries.

Obviously, Kuwait does not have independent water capabilities. It virtually gets all of its water through Desau. A pipeline would reduce the price of water considerably. We have been strong advocates of increasing this kind of activity in general, and I would see no reason why we would oppose it or discourage it in this case.

Additionally, switching to Lebanon for a moment, I appreciate your comments on the 1,000 soldiers positioned south of and into the formerly occupied areas of Lebanon. However, I am a little unaware of your comments on significant movement by Syria to genuinely reposition or—let me rephrase that—to leave whole areas of Lebanon.

I understand, and I have been there personally, they certainly have minimal coverage. They seem like they have 14 and 15 year olds next to rusty tanks already. Can you cite some specific areas in which Syria has withdrawn troops?

Mr. ISSA. Yes. It is not that they have actually withdrawn from any particular area. They have reduced the presence in a number of areas, particularly in the Beirut area itself. They have limited the number of armed and uniformed individuals, but certainly they

have not withdrawn any troops from the Beaka Valley where the bulk of the troops are.

Mr. Lantos had commented on a proposal he was making, I believe, to withdraw military assistance to Lebanon. I know that of last year's approximately \$35 million of NGO assistance, none of it going to the government. The \$14 million worth of wheat we provided through again non-government organizations, primarily the typical annual few million dollar aid package.

Other than the availability to buy non-lethal or to get non-lethal leftover jeeps, what, if any, military assistance would Mr. Lantos be talking about removing?

Mr. WALKER. Well, the only assistance that I think we give them is through the IMAT program, which is training for some of the military personnel, but you are quite correct. The bulk of our assistance goes through NGOs.

Mr. ISSA. And I guess the last, and probably the broadest question, relates to Lebanese sovereignty. As you know, we give approximately \$1 billion to Egypt, and several billion to Israel, much of it in military assistance.

What aid to Lebanon could be in fact given that would assist Lebanon in beginning to retake or at least to assert itself, for its own sovereignty? What specific aids do you see could be given to Lebanon to help it regain its true independence?

Mr. WALKER. I think the first and foremost thing is to give the Lebanese government the resources it needs to establish community service programs in the south so that its presence becomes the most important factor in the lives of the people in the south. Up to now, the Hizbullah has provided social services. It is a very effective way of gaining adherence and of being able to retain control.

The Lebanese Government needs to do a lot more in this regard, and I think the international donor community needs to provide them with the resources to put significant new assets into the southern Lebanon area.

Mr. ISSA. Mr. Chairman, if I could have indulgence of one quick additional question? Is there an estimate at stake of how much in the way of dollars Hizbullah has for these programs? How much essentially do our adversaries funnel to the adversaries of independence in Lebanon?

Mr. WALKER. I do not have an answer to that question. I am going to have to see if we can get some figures for you because I am also interested in finding that out.

Mr. ISSA. Thank you, Mr. Secretary.

Mr. GILMAN. The gentleman's time has expired.

Mr. Ackerman?

Mr. ACKERMAN. Thank you, Mr. Chairman.

Mr. Secretary, the U.S. has always claimed that our role in the Arab-Israeli peace process is that of a facilitator and a partner who can enable the parties to take risks for peace. Last year, Israel took a considerable risk for peace and unilaterally without benefit of any agreement or peace treaty pulled its armed forces, defense forces, out of Lebanon.

The first thing I would like you to address is what kind of support in the form of supplemental assistance are we going to provide

to Israel for taking that risk inasmuch as we have always contended that we would do so?

Then I would like you to address, if you would, the fact that among the 184 nations of the world with whom we have diplomatic relations the only country that we do not have our embassy in as far as the designated capitol of those countries is Israel. We do not have our embassy in Jerusalem, and we also participate in the fiction that no part of Jerusalem is in Israel.

During the campaign, President Bush addressed this inconsistency, and I will quote President Bush. He said, "As soon as I take office, I will begin the process of moving the embassy to the city Israel has chosen as its capitol."

I would like to know if indeed the President has begun on that commitment that he made and what progress has been made or, if not, when we can expect that to happen.

With regard to Iraq, Secretary Powell seemed to signal some flexibility. You address that briefly in your remarks. I would like to know to what extent, if any, the Administration is willing to engage in a renegotiation of the terms of Resolution 1284 if doing so means that Iraq would permit the restart of the inspections regime and what are the minimum conditions needed for U.N. weapons inspectors to ensure that Iraq has not restarted any banned weapons of mass destruction programs?

Finally, I would like you to address the status of Egypt's missile cooperation with North Korea to the extent that you can in this forum. If you would want to suggest that there are things that you cannot discuss at this time, I would appreciate if you would indicate to both the Chairman and myself when would be an appropriate time and venue for that.

Mr. WALKER. Good. With regard to assistance to the government of Israel for its compliance with U.N. Council Resolution 425 and full withdrawal from Lebanon, as you know, there was a request in the previous Administration for some assistance to deal with the extraordinary costs that this withdrawal entailed, particularly in relocating defensive positions, strengthening the defenses of various northern settlements, new fences and so on.

Since that time, most of those costs are already sunk. The Israeli Government has already engaged to do these things, has done them and has expended the money. In our most recent discussions with the Israelis, they had preferred to concentrate on the future and particularly on the question of strategic defenses against the threat that is posed by Iran-Iraq missile developments, and weapons of mass destruction, on the basis that money is fungible and that this is where we want to put the concentration for the future.

We are certainly amenable to approach the problem in that direction.

Mr. ACKERMAN. Are you indicating that there will be a request soon for a governmental—

Mr. WALKER. I would expect that there will be. This has not been decided yet because the question of our own missile defenses or anti-missile defenses is still under review by the Administration. Once that discussion or once that review has been completed, I would expect that there would be regional components and that

this would fit into that. We may well see, although I do not want to commit the Administration to any particular number of timing.

Now with regard to the President's commitment, there is no question the President said what he said. He meant what he said. He intends to go forward with it. He has reiterated the statement about beginning the process.

In actual fact, there have been a number of years over which we have engaged with this issue in Jerusalem. We have identified with the Israeli Government a property in that area. There are some questions now about ownership that need to be resolved, and also there was an agreement to identify a property in Tel Aviv as well, which has not been done. We are looking again for that area.

Mr. ACKERMAN. Are you saying you are looking at a property in Tel Aviv to move the embassy?

Mr. WALKER. No, no, no. No. We are going to need a Consulate General in Tel Aviv. The location we currently have is unacceptable because of security reasons. That is what I am talking about. There has to be two pieces of property, one in Tel Aviv and one in Jerusalem. We are trying to work out these things.

The President intends fully to keep to his word, but—and it is an important question—it is still the policy of the United States that the status of Jerusalem, its political status, must be decided by the two parties in terms of a final peace agreement. That is our ultimate objective. That obviously would make all of these issues much simpler, and what we will try to do is to bring about that kind of an agreement.

Mr. GILMAN. The gentleman's time has expired.

Mr. ACKERMAN. If I could just ask unanimous consent that the gentleman be allowed to answer the rest of the question?

Mr. WALKER. Yes. On 1284, I can do that very quickly. We do not intend to have any changes to 1284. The question of Iraq, of the inspectors, is that the inspectors be able to do their job and be satisfied that they can fulfill their responsibilities. We have confidence in Hans Blix that he would be vigorous in this regard.

The problem is not with the inspectors. The problem has been that Iraq has not and does not appear to be willing to allow them to come in any time in the near future. That is why we need to be able to adjust our approach to insure that components for weapons of mass destruction are not going in in the absence of inspectors.

Mr. GILMAN. The gentleman's time has expired.

Mr. ACKERMAN. 40.9999 Tm0. An reiteNTwh Ko se-Egyptby thhe abte queWe d5e

not really much happening that might be helpful in the overthrow of Saddam?

Mr. WALKER. Yes. We have certainly an active program with the Iraqi opposition, particularly the INC, but not exclusively with the INC, in which we are trying to support those groups both outside and inside Iraq that could contribute to a change in leadership inside Iraq.

Many of the groups are inside the INC. Some that may have important contacts inside Iraq are not, and we are trying to deal with them as well. The program thus far as been funded to the tune of \$2,471,152 already spent through contractors, a grant agreement of \$267,700 that was to keep them running, and then a \$4 million cooperative grant agreement to a total of expenditures of \$6,738,936.

There is, of course, a large pipeline that is still out there for further expenditures. The most recent grant that we made covers an ambitious program of developing human rights information, developing war crimes information, sending individuals into Iraq to gather information to support these programs and to support the publication and television broadcast that can be directed inside Iraq.

There were difficulties certainly in establishing the INC and making it grant worthy. As you know, that is a complicated process. It takes a lot of auditing and procedures. We have just gone through an audit. We feel that the monies have been appropriately expended. There is no evidence of fraud or misuse or waste in the program.

We obviously are continuing to oversee this, but we are still in the process of reviewing exactly how to proceed with the opposition, and we may have some new programs coming up.

Mr. CHABOT. Thank you very much. I will ask two questions at this point, and if you could keep your responses relatively brief?

Mr. GILMAN. If the gentleman would yield?

Mr. CHABOT. I would be happy to, Mr. Chairman.

Mr. GILMAN. I regret that I am going to have to go to another meeting. I am going to ask Mr. Chabot, our Ranking Member, if he would conduct—

Mr. CHABOT. The Vice-Chairman.

Mr. GILMAN. Our Vice-Chairman if he would conduct the meeting.

Mr. WALKER. Thank you very much, Mr. Chairman.

Mr. CHABOT [presiding]. Thank you.

The last two questions would be relative to Yemen. First of all, your written statement indicates that they have been relatively cooperative in this investigation. There had been a number of reports that there was some dispute about the substance of the cooperation. If you could comment on what the present status of that is relative to the Cole, of course?

Secondly, in relationship to Syria's new President, Bashar al-Assad, could you comment on any positive changes that we have seen since he succeeded his father in that capacity as President? Are we optimistic in that area?

Mr. WALKER. Yes. On the Cole, the cooperation is good between the FBI and the Yemeni authorities. It has had its ups and downs; there is no question about it, but you are trying to develop coopera-

tion between two totally alien organizations which have never had to deal with each other before on a highly difficult investigation and so we anticipated problems.

We actually have had less problems than we anticipated, and I think that the process recently has been improving markedly in terms of giving the FBI what they need in terms of access, interviews and so on, so we are pleased at the cooperation.

On Bashar, the most positive aspect of our relationship with Basah Al-Assad was the pledge to the President of the United States, to the Secretary of State, that he would bring the pipeline, which brings the oil from Iraq into Syria for subsequent resale, under the U.N. auspices and under the controls of the U.N. so that the funds are not diverted to military procurement. This was a substantial change in the position of the Syrians. We anticipate and we have had assurances that they will carry out this pledge.

We have also been impressed with the initial steps that we have taken toward opening up his economy, particularly in the banking sector. It is nowhere near and it is not a broad reform yet, but it is the beginning of movement in the right direction.

On the negative side, we have found him to be intractable on the question of Israel. His statement at the Arab League conference was unacceptable, particularly his references to Zionism, racism and the boycott, so the court is out. The jury is still out on Mr. Bashar.

The President wants to work with him. He is an engaging individual. He is very bright. We will have to see how this relationship develops.

Mr. CHABOT. Thank you very much, Mr. Secretary

My time has expired. The gentleman from California, Mr. Berman, is recognized for 5 minutes.

Mr. BERMAN. Thank you very much, Mr. Chairman.

Again, like others, Mr. Secretary Ambassador, I think you deserve a great deal of thanks from us and from the American people for your service. I have begun to know you from your postings in the Middle East and in your time as Assistant Secretary, and you have truly been a stellar official and deeply committed to I think serving U.S. interests.

Aba Edan once talked and said that the Palestinians never miss an opportunity to miss an opportunity, and I have always sort of thought that was pretty true, but since Camp David I have concluded that there is a good basis for thinking that he was wrong; that they never saw and to this day do not see the notion of a negotiated reconciliation and peace with Israel as an opportunity and, therefore, what they miss is not an opportunity.

Is it fair to conclude by statements made by a number of different Palestinian Authority officials after Camp David, and before the Prime Minister Sharon's visit to the Temple Mount, that the Palestinians had concluded that this was the time to restart the Intifudah? That is one question.

Secondly, I would like you to comment on one thing that bothers me, and I am a pretty disillusioned guy right now as I look at that whole Middle East peace process and what has been happening and things that I had believed occurred that I now have real

doubts about, given what the Palestinians walked away from and what they are doing now.

I have tremendous respect for what the previous Administration and you and the peace team tried to do, but the comments since that Intifadah started and even as you repeated them here today sort of condemns the violence in a context that we have equal tendency to violence.

It creates an impression of something that I do not think is the reality, and that is the Israelis are trying to respond and deal with in the very difficult but best way they know how acts of violence authorized by high Palestinian officials involving malicious groups associated with the PA with the use of guns and armaments that did not exist in the earlier Intifadah that started in the late 1980's in a fashion designed to ensure that the responses will hurt children and unarmed people who are involved in demonstrations in a very calculated kind of a fashion in order to create international sympathy to try to accomplish what they could not accomplish once they walked away from Camp David, and ran around to the international capitals seeking support for their unilateral declaration of independence.

Both the previous Administration and this Administration, in talking about the violence, does not truly help the American people understand just what is going on there.

I would be interested in a response to those two questions.

Mr. WALKER. I would like to read a statement by the Press Secretary of the White House, just a portion of it, that I think clarifies this situation to a great extent, and then I will have some extended remarks on that.

"The Palestinian Authority should speak out publicly against violence and terrorism, arrest the perpetrators of terrorist acts and resume security cooperation. The government of Israel should exercise restraint while taking steps to restore normalcy for the lives of Palestinian people by easing closures and removing check points. Both sides should live up to the commitments they have made to combat terrorism and engage in dialogue."

Now, in our discussions with Prime Minister Sharon he has indicated to us that he is desirous, that he wants to remove these closures, that he wants to take steps to improve the economy of the Palestinian people to take the pressure off the individual Palestinians.

He feels constrained by the violence that is continuing, and this has been a continuing problem, but he has taken a few steps that have been in this direction. He has opened up some of the channels for goods to move in and out of the Palestinian areas. He has allowed some workers to transit back into Israel to work. By no means have the restrictions been eliminated by a long shot. They are still very, very severe. Nevertheless, he has tried to show a direction that he would like to take.

In contrast, we have seen absolutely no response from Arafat to our urgings to him to help bring this violence to a stop. He has made no statements that would indicate that he is opposed to vio-

lence or that he even wants to see it stopped. In fact, he has called for the continuation of the Intifadah.

He has not given any orders, secret or otherwise, to the forces which could bring some measure of control; perhaps not 100 percent control, but some measure of control over the situation, to take those steps. His forces are prepared to do what he wants them to do.

We are perplexed. In the most recent events up in New York, he went out of his way to force us into the veto. We were prepared to try and find a resolution or a Security Council Resolution that would be constructive. We worked very hard on that, and in the final analysis he simply put back the poison pill into the resolution which the Europeans were working on, which made it unacceptable to us, and then they put forward the old resolution, which we vetoed.

He seemed to be intent on forcing us into that position in the context of the Arab League Summit. At the same time, one could make the assumption that the series of bombs, suicide bombers, and the shooting of a child in a settlement were also designed to develop a reaction by the Israelis, a strong reaction, during the summit.

This is not the evidence that we want to see of a man who wants to see an end to the violence, who wants to see peace negotiated, so we are perplexed. The jury is out on Mr. Arafat right now, but we are prepared to work with him if he is prepared to work with us. Right now we do not see it.

Mr. CHABOT. The gentleman's time has expired.

Mr. BERMAN. There was just a first question if I could get a yes or no answer. Is it reasonable to conclude that comments from Palestinian Authority officials prior to that September visit by Sharon could cause a reasonable person to conclude that there was a tactic to resume the Intifadah after the end of Camp David?

Mr. WALKER. They said as much, and so I think a reasonable person could assume.

Mr. CHABOT. The gentleman's time has expired.

The gentleman from Pennsylvania, Mr. Pitts, is recognized for 5 minutes.

Mr. PITTS. Thank you, Mr. Chairman.

Mr. Secretary, some of us are concerned about the recent decision of Russia to resume weapon sales to Iran. We have written to the Chairman of the Committee asking for a hearing on this.

Could you speak as to what the Administration is doing to persuade Russia to rededicate itself to the 1995 commitment not to reach any new arms agreements with Iran? What specific new arms sales to Iran were agreed to during Khatami's March 12 visit to Russia?

Mr. WALKER. As you know, the Russians have claimed that the agreement that they previously reached with us on conventional arms was no longer valid, was null and void. We have been engaged and the Secretary has been engaged in this in discussions with the Russians on this. It is a matter of the deepest concern to us. They have indicated that they are talking about defensive arms. That is not really the point, though.

As the Secretary said in his statement at AIPAC, we will not turn aside and ignore this kind of behavior. Quoting the Secretary, "I have gone so far as to raise with senior Russian officials the role that Russia is playing in these dangerous and destabilizing efforts. We will not overlook what Russia is doing to cause this sort of problem."

The Administration continues to pursue that line with the Russians. It is our intention not only on the conventional weapons, but also on the question of provision of missile technology/nuclear technology to Iran to encourage the Russians to control that technology as well and to discourage with severe measures companies and entities which are violating what the Russians say is their instructions.

Mr. PITTS. Has the Bush Administration decided on any distinct changes to U.S. policy toward Iran? If so, what are they?

If, as Secretary Powell says, the Administration wants engagement with Iran, what is the Administration prepared to do differently from its predecessor to bring Iran into a political dialogue, and to what extent is it or is it not in the U.S. interest to identify its policy with Khatemi and his reformist allies?

Mr. WALKER. Yes. Well, we have the election coming up, which is a factor in this kind of a dialogue in Iran for the President of Iran. As I mentioned earlier, the Administration has not or is only now just beginning its review of Iran policy. It feels it is necessary to zero base these major issues and policies so that we can reconstruct policy that makes sense.

Having said that, the general outlines of the previous approach still seem reasonable in the sense that this is an important country. We need to have a dialogue to talk to them about some of these critical issues; that is, their support for terrorism, their weapons of mass destruction program and their opposition to a peace approach to the Middle East, so I do not think that that necessarily is going to change, but there may be other adjustments in the way we go about it, and certainly we will have to look into the question of ILSA renewal.

Mr. PITTS. Many experts believe that Iran will be a key regional power and threat by 2008. I am wondering if we are paying adequate attention to the rising of Iran's threat to regional stability. Are we taking the specific steps that we need to take to ensure that Iran does not become the regional power that many predict?

Mr. WALKER. Iran in effect is a regional power whether we like it or not simply because of its location, its enormous resources, the intelligence of many of its people and so on, but the question is whether it is a responsible regional power or whether it is an irresponsible regional power.

We have no problem with an Iran which is working responsibly to work at peace with its neighbors and to build stability in a region and to maintain an equitable pricing structure for oil and so on. In fact, we have a number of interests which we share with the Iranians, particularly the interests that we share on Afghanistan, drug trade. We have constructive discussions with them through the U.N.

We also could share certain approaches to Iraq, but we cannot do this so long as the support for terrorism continues so I think it

is important for that dialogue to be generated, and we will see how we might be able to do that.

Mr. PITTS. Thank you, Mr. Chairman.

Mr. CHABOT. The gentleman's time has expired.

The gentleman from California, Mr. Schiff, is recognized for 5 minutes.

Mr. SCHIFF. Thank you, Mr. Chairman.

I wanted to follow up a little bit on the questions concerning Iran and ask your opinion about why Russia made the decision to go back on the 1995 pledge. Is this an economic decision? Is this a reaction to the American emphasis on developing a national missile defense?

Is this considered potentially a card they are playing in the discussion of that issue? Why do you think Russia made the decision that it did in November and has followed through in March?

Mr. WALKER. I think it is a combination of things. For one thing, it certainly is an economic issue in terms of money. I mean, the Russian arms industry needs to make sales in order to survive. It sees Iran as a potential lucrative market, and that is a very compelling situation for the Russians today.

In addition, of course, the Russians seek to enhance their position in the region. They have always had a very great interest in Iran and in the relationship with Iran on their southern flank. This is a long historic interest that has nothing to do with the change of regimes in Russia. We anticipate that they will continue to have that interest and will try to extend it. Arms sales is always one way of developing such an interest.

Our opinion, our approach, though, our feeling is that this is a highly destabilizing situation, particularly under the circumstances in which we are controlling the build up of arms in Iraq, which is a natural concern for the Iranians, so while those controls are in place we see no reason for the Iranians to be undergoing massive rearmament.

Mr. SCHIFF. Has Russia linked this issue to any other? Do you see them using this for bargaining position in any other negotiations with the United States?

Mr. WALKER. No, not really. We have not seen that. It seems to be a stand alone interest largely dominated by the military and the arms manufacturers, but we have not had any indication of trade-offs here.

Mr. SCHIFF. If you could clarify a little bit on what you think the U.S. response should be with respect to this change in policy in Russia?

There is statutory language that requires certain punitive measures to be taken. What do you anticipate the Administration would want to do to try to curb these arms sales and preclude them in the future?

Mr. WALKER. Yes. I cannot prejudge where the Administration will come out. I think the intention is to make this an issue of considerable—make it very clear to the Russians that this is of considerable concern to us and that it will have ramifications and implications for a broader relationship with Russia, but as far as specific steps that we may or may not take as retaliatory or encouragement, either positive or negative, I cannot tell you at this point.

Mr. SCHIFF. Do you see any impact of a reduction in Nunn-Lugar funding or this issue of arms sales to Iran?

Mr. WALKER. Under which funding is that?

Mr. SCHIFF. The speculation, and I do not know if it is more than speculation, that the funding for Nunn-Lugar will be decreased. Do you see that as having an impact on our ability to preclude arms sales or the transfer of expertise from Russia to Iran?

Mr. WALKER. I am not familiar with the specific funding that you are referring to, Congressman, so I will have to get an answer to you on that.

Mr. SCHIFF. What steps can the United States take to try to improve its relationship or the strength with Khatami in Iran?

Mr. WALKER. This has been a frustrating matter. We have tried to hold out a hand to the President of Iran and to the people of Iran who seek change, seek reform. To this point, it has not been a very successful effort because it naturally needs two participants.

There was a flurry of activity last fall in which we thought that we were beginning to make some progress, and we had some discussions, potential discussions behind the scenes with the Iranians that did not work out. As long as they are moving toward their Presidential elections I would not expect any breakthroughs in the near term.

As I said, we have some very important mutual concerns. We still do work with the Iranians on the Afghanistan question in New York. We are ready to deal with them if they are ready to work with us.

Mr. SCHIFF. Let me ask you, if I can change gears for a second, about the opposition in Iraq and our assistance of the Iraqi National Congress.

Is there any indication that any of that funding has been well utilized? Is there any indication of any success? Is there a reexamination of whether we ought to provide continued support? Is there any viable Iraqi opposition that we should support?

Mr. WALKER. Yes. We are in the process of examining the whole question of the opposition, but not with respect to walking away from the INC.

As I pointed out, the amount of funding that has actually been expended up until now is relatively limited, even though there is a lot of money available to the INC, and this is because it takes a while to organize such an institution and bring it into conformity with our laws and our requirements of transparency.

They have largely completed that organizational effort. They have begun to establish offices in the region that will enable them to have a greater impact. They are moving or seeking to move to open television capability or transmission capability with a television station and with a newspaper, so it is early days in reality to make a judgement. Our indications are that they can be successful. They can make a positive contribution to the efforts that we intend to make on encouraging the opposition both outside and inside Iraq.

You have to keep in mind, though, that this is a publicly funded operation. It is required to have full transparency. It is, therefore, not a clandestine operation. It cannot do clandestine things. It is largely going to be effective and supportive in terms of our informa-

tion efforts getting the word into Iraq of what the real world is like and trying to convince other countries to support those inside Iraq that would like to see change.

Mr. CHABOT. The gentleman's time has expired.

The gentleman from Virginia, Mr. Cantor, is recognized for 5 minutes.

Mr. CANTOR. Thank you, Mr. Chairman.

Mr. Secretary, I want to thank you again for coming and also to thank you for the leadership that you and the Administration exhibited in vetoing the recent U.N. resolution.

If I could turn the question and the subject of the discussion over to the travel warning that exists in Israel and travel from the U.S. to Israel? Your earlier remarks stated that as our United States policy we were desirous of Prime Minister Sharon and toward normalizing economic relations and economic life between Israel and the Palestinians.

I think everyone agrees that if there are Palestinians who surely are there who want to go to work every day, bring home a paycheck and support their families that that ought to be allowed to exist, and we ought to promote that.

Similarly, you know, the economy in Israel impacts the stability in the region, and we continue as a country to impose a comprehensive travel warning instead of perhaps a warning which is there to target specific areas where the violence has been occurring most.

I guess I would ask you to comment on the method by which we continue to impose this restriction on all of Israel, not just the West Bank perhaps or Gaza Strip where there is violence repeatedly.

Mr. WALKER. Yes. That is a fair question and one that we are engaged with right now. The Secretary promised to look at this question when he met with Prime Minister Sharon, and we are trying to put together information for the Secretary to make a judgment on this. It is a matter that concerns our Consular Affairs people. They are the principal acting agency on this issue; also our Department of State Security people.

There is no question that our travel advisory has an impact on tourism, and it is a negative impact. That is not our desire. I am hopeful that we will be able to present a case for a more measured approach that would make some distinctions, but it is also true that there have been a series of violent explosions recently which we have to take into account as well, and in fact we had tragically one American citizen who was critically injured in one of those attacks, so we have a responsibility to our citizens as well.

We will try to do this, to carry out this responsibility in the way best designed to protect them, but at the same time encourage the economy of Israel.

Mr. CANTOR. Thank you. I yield back.

Mr. CHABOT. Okay. Thank you very much.

The gentleman from Florida, Mr. Wexler, is recognized for 5 minutes. We can call Mr. Sherman if you would like. Okay.

The gentleman from California, Mr. Sherman, is recognized for 5 minutes.

Mr. SHERMAN. Mr. Secretary, I want to commend you for your service to this country and at the State Department. I want to com-

pliment the Administration in its efforts to develop a Middle East broadcasting system and an enhancement in that area that I think may pay dividends toward peace in the years to come.

I was with the President, President Clinton, when he witnessed the change in the Palestinian National Charter, and the whole nugget of Oslo was that the Palestinian side would recognize Israel's right to exist. Presumably that means its right to exist at least in the 1967 borders as an independent sovereign state.

One of the things that sovereign states have a right to do is control their own immigration policy, yet at Camp David the Palestinian side put forward the argument that says 4,000,000 Palestinians would have the right to move to Israel, thereby allowing Israel to exist as a Palestinian state, a second Palestinian state.

To what extent is the assertion of this "Right of Return" an abrogation of Oslo, of the entire peace process and a declaration that Israel does not have sovereignty over any particular territory?

Mr. WALKER. Well, in the first place at Camp David and in subsequent talks on the refugee issue in Taba I think the progress was greater than what you are suggesting in terms of the positions the parties were taking.

There was still a critical concern about this terminology of "Right of Return," but I think in practical terms there was a closing of the gap between the parties as to what would actually happen on the ground, so there are two elements. One is the ideological or, you know, the political statement. The other is, you know, who actually controls access and entry and so on.

It is very clear that this is one of the more difficult issues to deal with partly because it goes well beyond just the Palestinian Authority and Israel to encompass very complicated problems in Lebanon, in Syria and in Jordan, different problems in each one.

Mr. SHERMAN. Ambassador, if I can interrupt you? I would think that if one side is delivering territory and the other side is delivering peace, the side that is delivering peace is delivering nothing; if not a change in rhetoric that certainly all the oral agreements at Camp David are null and void on both sides. There were no oral agreements.

Mr. WALKER. Right. No question. Camp David has been taken off the table.

Mr. SHERMAN. And so the position currently of the Palestinian Authority is the right to move—

Mr. WALKER. Yes.

Mr. SHERMAN. [continuing]. Four million people into Israel and in doing so certainly erase the idea that Israel has the sovereign right to exist under its government.

Mr. WALKER. No question that both sides have walked back from the positions they were reaching out for at Camp David and at Taba.

Mr. SHERMAN. Yes.

Mr. WALKER. You are right. There is a clear, unequivocal problem with the question of an unlimited right of return, which would inundate Israel.

Mr. SHERMAN. Last month the Palestinian "Minister for Post and Telecommunications" said at a rally in Lebanon that the Intifadah

was planned at the moment that Arafat returned from Camp David, where he rejected the proposals of President Bill Clinton.

Do we have any reason to doubt that?

Mr. WALKER. I do not see why I should doubt the spokesman for the Palestinians.

Mr. SHERMAN. Shifting to our policy toward Iran, about a year ago the Administration, the last Administration, made what I think was the mistake of allowing non-energy imports into the United States, all of Iran's principal non-energy imports. Iran, of course, already gets the world price for its oil so it does not need to bring its oil to the United States.

I wonder if for the record your staff could provide us with the dollar amounts of last year's imports and the expected amount of this year's imports from Iran perhaps so you could comment on did we get any concessions other than the fact that I know there is an election in Iran where they are electing their third most important elected official, who they call the president, the third most important governmental official.

Mr. WALKER. Yes.

Mr. SHERMAN. Given the fact that there has been no change in Iranian policy, should we continue to or should we reverse the decision that was made a year ago?

Mr. WALKER. This is one of the issues we have to take a look at. No question about it. The answer to your question is no, we did not get anything in return for this. It was meant to be a signal, the goodwill, but it has not been reciprocated.

Now, I would expect that we will want to take a hard look at the Iran policy over the next month or so until the presidential elections take place, and then we can make some decision in this regard.

Mr. CHABOT. The gentleman's time has expired.

The gentleman from California, Mr. Rohrbacher, is recognized for 5 minutes.

Mr. ROHRBACHER. Thank you very much.

Let me ask you a little bit about Iraqi policy here. Did you say that it is your understanding that Congress has not authorized you to be engaged in clandestine activity in Iraq?

Mr. WALKER. I did not say any such thing.

Mr. ROHRBACHER. All right.

Mr. WALKER. I just said that you cannot do clandestine activity with the funding that was given to the INC, which is overt and transparent.

Mr. ROHRBACHER. I see. We have provided——

Mr. WALKER. If we are going to get into clandestine, we cannot do it here.

Mr. ROHRBACHER. Well, we have provided much more funds than those particular funds, and we do expect them to be used for clandestine activity in Iraq.

Mr. WALKER. Yes. I would prefer to handle that in a different forum.

Mr. ROHRBACHER. And I would hope that we are moving forward. Are we trying to establish a government in exile?

Mr. WALKER. We are engaged in a very meticulous and comprehensive review of this particular issue how best to achieve regime change in all its aspects.

That policy has not gotten to the point where the President is prepared to or has been asked yet to approve it.

Mr. ROHRBACHER. I would hope that this Administration does not take—I mean, this issue has been going on a long time. I have no idea why we have not at this time been full bore trying to establish a government in exile, but I guess—

Mr. WALKER. We are in full bore, and I can tell you that the Administration has been spending day and night on developing a new policy toward Iraq and toward this very issue.

Mr. ROHRBACHER. I am giving the Administration the benefit of the doubt. I am not giving the State Department the benefit of the doubt on this, however.

Mr. WALKER. The State Department handles the overt part of this problem. There are limits on what I can do, Congressman. I cannot send people out and train them or do anything when it comes to clandestine activities. I am restricted by law to do that.

Mr. ROHRBACHER. Congress has been very open to making sure the law is available pliable for you to get this job done, and we have—

Mr. WALKER. You will have to talk to the CIA and to the Defense Department, Mr. Congressman.

Mr. ROHRBACHER. I want to say the State Department has a role to play when it comes to establishing governments in exile.

Let me get to a little bit about the Middle East here. How many of Mr. Arafat's leaders have been assassinated by the Israelis in the last year?

Mr. WALKER. I have no idea. I would have to get that for you.

Mr. ROHRBACHER. Would you put that in five—

Mr. WALKER. I am not—

Mr. ROHRBACHER. Five? Ten? Fifteen?

Mr. WALKER. I have no idea.

Mr. ROHRBACHER. All right. Well, we know that there have been a number of them assassinated under the excuse that they were all terrorist leaders.

Let me just put it this way. I think the United States needs to be a force for peace in that part of the world. We cannot be a force for peace if we are only pointing out that one side, you know, has a bunch of intransigent haters, which one side does have intransigent haters, but, by the way, the other side has intransigent haters as well. Our job is to find the peacemakers and the people on both sides who want peace.

I would agree with Mr. Sherman, who said that the right of return is a demand that is an anti-peace demand. It is something that cannot be met by the Israelis obviously without destroying their country, but the fact is the Israelis are making demands in terms of the return of the West Bank. Many Israelis are suggesting that the West Bank have so many Israeli settlements there that it makes the right of a Palestinian state to exist meaningless for these people.

Now, in both cases these are demands that are anti peace. If the United States is going to be a peacemaker, we are going to have

to, number one, make sure that Palestinians know there is not going to be any right to return for millions of Palestinians to pre-1967 Israel. Number two, Israel is not going to be able to keep all those settlements and make the Palestinian homeland nothing but a piece of Swiss cheese. Those are two killers.

In terms of Jerusalem, we know how difficult that is, but I would hope that the United States takes a balanced role in this because in order to have peace we have got to make sure that we are focusing on the evildoers, as well as the saints, on both sides of the issue.

I am sure when whoever killed that poor Israeli child and its father the other day, I am sure that was an evil act, and it was an evil person and demands our heartfelt condemnation. I am not sure whether when an Israeli gets killed like that, however, that it justifies, you know, the type of retaliation that I heard went on, which caused many, many other deaths.

This is called a cycle of violence, and it is a tragedy when any settler is killed or any Israeli is killed. It is also a tragedy when you have villages being demolished and people being killed on the other side. My count of the bodies is the body count on the Palestinian side is a lot higher than the Israeli side.

Both of them are tragedies no matter who gets killed, and I would hope again that we are peacemakers there and not just advocates of one side or the other.

Mr. WALKER. I hear you loud and clear, and I can tell you that we have spoken out against targeted killings, which is a euphemism. We have spoken out publicly. We have urged the Israelis to cease that practice, particularly when using American equipment like helicopters and so on.

Mr. ROHRBACHER. Correct. Like helicopters. Correct.

Mr. WALKER. We continue to believe that expansion, construction of settlements and construction that is perceived by the Palestinians as precluding final status issues is not only unproductive, it is counterproductive.

Mr. ROHRBACHER. Thank you.

Mr. CHABOT. The gentleman's time has expired.

The gentleman from Florida, Mr. Wexler, is recognized for 5 minutes.

Mr. WEXLER. Thank you very much.

I, too, Mr. Walker, was here earlier when Mr. Ackerman cited your accolades, and I would like to concur with Mr. Ackerman.

You talked early on about the importance of keeping our commitment to King Abdullah in terms of the free trade agreement. My first question would be does that mean the Administration supports the free trade agreement as it now exists? If it does not, I would be curious to know why not and does that in any way inhibit our ability to keep our commitment to King Abdullah.

Second, if I could, and I, too, want to compliment the Administration on its handling of the past U.N. resolution. It seems every month or so there is yet another resolution that is more one sided than helpful. One of the aspects that was troubling to me in the most recent resolution was that the country of Colombia was a sponsor of that resolution.

It would seem to me that the time is very ripe in the greater context of our foreign policy to hold countries accountable for their actions at the U.N. While I am very supportive of Plan Colombia, Colombia is now a large recipient of American assistance, and for Colombia to go out of its way to support not a reasonable resolution, but a resolution whose only purpose is to inflame the situation, I am wondering what, if any, grouping or coupling of concerns or policies we are doing with countries like Colombia in terms of their actions at the U.N.

If I could just take 30 seconds, the last series of questions from Mr. Rohrbacher, with all due respect, seem to ignore the actions of the previous Israeli Prime Minister. Yes, there may be individuals that have extreme positions on both sides, but it would seem to me the more logical examination relates to the actions of the government.

Prime Minister Barak's last proposals and so forth, if I understand them correctly, gave up all but 2 percent of the area on the West Bank, so to suggest that the Israeli official position is not to negotiate with respect to the West Bank and so forth just defies the reality of the negotiations that occurred.

Of course, we all know it was Chairman Arafat's decision to reject that, so to talk as if there is some duality of either inconsistent position or extreme position does not seem to me to relate to the actions of the government themselves.

Thank you.

Mr. WALKER. Yes. On that last question, as I said before, the approach that has been taken by the current Israeli Government has, in our view, been constructive in terms of trying to find a way out of this very disastrous situation that we are in.

I mean, there is no question that the people who are paying the price are both Palestinians and Israelis, and there is no excuse for this, but we are not getting the kind of response that we had hoped to get from Arafat at this point.

Now, perhaps this was related to the Arab Summit and related to his desire to see substantial financial support from the Arab League, and maybe we will see some adjustment or change in the approach. I certainly hope so. We need to have constructive engagement on both sides of this thing to make it work. As long as one side says nothing or is not prepared to do anything, then we are not going to get out of this box that we are in.

With regard to Colombia, we made it very clear to the Colombians that their vote in the U.N. will have consequences. We will be following that up.

Mr. WEXLER. With respect to the free trade agreement, are you in a position to—

Mr. WALKER. The free trade agreement I am not in a position because it is not my responsibility. The particular question you asked, as you know, is not something that I deal with. That I will have to turn over to Mr. Zelleck.

Mr. WEXLER. Okay. Thank you.

Mr. CHABOT. The gentleman's time has expired.

The gentleman from Pennsylvania, Mr. Hoeffel, is recognized for 5 minutes.

Mr. HOFFEL. Thank you, Mr. Chairman.

Secretary Walker, welcome.

Mr. WALKER. Thank you.

Mr. HOFFEL. I believe you and I share the same hometown, Abington, Pennsylvania.

Mr. WALKER. Absolutely. That is where I was born.

Mr. HOFFEL. Wonderful. Well, it is nice to see you again.

Mr. WALKER. Thank you.

Mr. HOFFEL. I was listening to your answers regarding Iran and the impact of the Russian arms sales that have been promised, but I wanted to ask some more questions about that.

On March 16, I and 29 colleagues sent a letter to the President about those promised sales of arms from Russia to Iran pointing out to the President that the 1996 Anti-Terrorism and Effective Death Penalty Act amending the Foreign Assistance Act authorizes the President in two different sections, one, to withhold assistance "to the government of any country that provides assistance to the government of any other country" that has been deemed a terrorist state, and, secondly, prohibiting assistance to countries that "provide lethal military equipment to terrorist states."

Certainly Iran qualifies as a terrorist state. In fact, it leads the annual State Department list of terrorist states.

First off, are you familiar with this March 16 letter?

Mr. WALKER. I have not seen this letter.

Mr. HOFFEL. Are you familiar with the Administration's response to the letter?

Mr. WALKER. I have to assume you have not received a response yet.

Mr. HOFFEL. No, I have not.

Mr. WALKER. I assume it is being worked on, but this is certainly one of the issues that has to be looked at in terms of the Russians and what they ultimately decide to do or not do.

They actually have not concluded an equipment sale as far as I know at this point, and it is our hope and desire that we will be able to preclude that through our continuing discussions with them, but as the Secretary made clear that we are not going to overlook the Russian activity. We are not going to overlook what they are doing, and there will be consequences.

Mr. HOFFEL. As I understand the law, for there to continue to be United States aid to Russia after they begin to give aid to Iran there will have to be a Presidential waiver to continue that assistance that is something over \$1 billion a year presently from our country to Russia, economic development money, other kinds of assistance, including the comprehensive threat reduction money, Nunn-Lugar, that Congressman Schiff mentioned a few minutes ago.

Can you see that the response that we ultimately receive from the Administration addresses which, if any, of those funds the President might want to waive, to continue in place or which he feels it would be appropriate to cut off from Russia in light of their aid to a terrorist nation?

Mr. WALKER. I certainly will convey this back to the Secretary. Our hope is that we will not be faced with this problem.

Mr. HOFFEL. I hope so, too.

I was recently in Russia on a delegation led by Congressman Weldon, and we met with members of the Duma. They defended arms sales to Iran generally as an economic matter, a dollars and cents matter to help their budget.

Mr. WALKER. Right.

Mr. HOFFEL. I responded and the other Members of the delegation responded by saying we view this as a national security matter and a huge political problem.

If it is an economic problem to Russia, what other steps can we take in our dealings with Russia that would preclude them from having to sell arms to Iran, a terrorist nation?

Mr. WALKER. That is a difficult question because what kinds of incentives you can give them that are alternatives for them in terms of developing their own industry, particularly since our total objective has to be to reduce the kind of sales that they would be making to countries such as Iran, China and others.

I do not know what the answer should be or will be to that. It is obviously something that we are going to have to consider as we try to develop a response to this particular interest. There will be a number of elements of the Department that will need to take a look at this and see what can be done.

Mr. CHABOT. The gentleman's time has expired.

The last Member of the panel who will be granted 5 minutes is Mr. Engel from New York if he has questions.

Mr. ENGEL. Yes. Thank you, Mr. Chairman, and welcome, Mr. Secretary. I have worked with you for many years and also want to add my voice to those that say thank you for the good work you have done throughout the years.

I want to first just very briefly echo some of the frustrations that I understand Mr. Berman and Mr. Lantos made and Mr. Ackerman before I entered the room.

I have been a long supporter of the peace process, even when it was not fashionable to be so. I must say that I am, unfortunately, thoroughly disillusioned with the actions of Mr. Arafat or the lack of action of Mr. Arafat. I think that he miscalculated badly.

I think that Barak offered him unprecedented concessions. He perhaps could have even squeezed a few more, and I think that his decision not to strike a deal calls into question his commitment to making peace with Israel. I really just think he has called the whole thing into question because I just cannot imagine any more generous offers.

You know, my colleague before was talking about both sides. Well, you know, 98 percent of the West Bank was offered to go back, even parts that others never thought would be offered and other concessions as well. They were still turned down.

It just is clear to me that Mr. Arafat prefers to use violence or terrorism as a negotiating tool thinking that he can get more and more, and he miscalculated. I think he brought down Barak, and I think he brought down the window of opportunity for real peace. I hope I am wrong about that, but I somehow do not think I am.

It bothers me when I hear statements from the Administration talking about that there ought to be an end to the violence on both sides. Yes, there ought to be an end to all violence, but I think it is clear that the violence is emanating from the Palestinian side

and that Mr. Arafat is doing nothing to curtail that violence. I just want to say that I know you have commented on it, and you do not need to comment on it again.

As you know, Syria is on the State Department's list of state sponsors of terrorism. It continues to occupy Lebanon and maintains a state of war and aggressive posture vis-a-vis Israel. I am very disgusted that it has not left Lebanon and Israel has and is continuing to violate the Taif Accord and Resolution 520 in the U.N.

I am deeply concerned, therefore, that Syria is likely to take a seat on the U.N. Security Council. Last week I wrote to President Bush asking that he express American opposition to Syria joining the Security Council during this meeting with Kofi Annan.

I am wondering if you can tell me what the U.S. position on Syria joining the U.N. Security Council is. Did President Bush, as far as you know, raise this issue with the Secretary General, and what are we doing to block Syria from joining the Security Council?

Mr. WALKER. As you know, we do not take a position on an issue like this this quickly or this early in the game. We traditionally have not taken a public position, but reserved our position on the question of Security Council membership.

In this case, the background, though, the history of our approach to this issue is that countries which are in violation of Security Council resolutions should not be members of the Security Council. We took that position with Libya. We took that position with Sudan. That will be a very important factor in our judgement as to what we should be doing in terms of Syria and what we should be doing in terms of either supporting or opposing their membership in the Security Council.

We would anticipate that Syria would have to fulfill its obligations under the U.N. Security Council resolutions in particular with regard to its trade with Iraq and in particular with regard to the oil pipeline. These would be serious considerations of ours.

The President is anxious to try to forge a relationship with the new President of Syria, but we need to have further discussion and conversation with them before reaching a conclusion as to whether that is going to be possible or not.

Mr. ENGEL. I am wondering if I could just ask one brief question. Please tell us what the Administration is doing to try to obtain the release of the nine Shiraz Jews still in prison in Iran and what trends you note in Iran's overall human rights records since President Khatami took office in 1997?

Mr. WALKER. We have been deeply concerned with the human rights records. It is reflected in our reports. We think that the judicial system has in some cases been perverted.

The trial of the Jews in Iran we felt was a significant violation of due process and led, therefore, to unwarranted results. We have continued to try to press quietly for full and total resolution of this issue in conjunction with the various community members who have an interest, and we had been actually fairly recently hopeful that final resolution would be achieved through some intermediaries, but I have not seen that happen. We will continue to press, though.

Mr. CHABOT. The gentleman's time has expired.

Mr. ENGEL. Thank you.

Mr. CHABOT. That concludes all the questioning this afternoon. We want to thank the Secretary for his responses and his statement today. We appreciate it.

I want to reiterate the Chairman's statement at the beginning that we wish you the best in your future endeavors. Thank you for your service.

With that, the Committee stands adjourned.

[Whereupon, at 12:26 p.m. the Subcommittee was adjourned.]

A P P E N D I X

MATERIAL SUBMITTED FOR THE HEARING RECORD

PREPARED STATEMENT OF THE HONORABLE GARY L. ACKERMAN, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF NEW YORK

Mr. Chairman, we meet this morning to discuss the broad range of issues that face the U.S. in a region of the world where we have many vital national interests. And we do so at a time when the region is closer to a major conflict than it has been in over a decade. Yet less than eight months ago, we were on the brink of an agreement that could have brought peace to Israel and her neighbors. "Despair" is the word I hear most often to describe the current mood in the region. We could discuss endlessly what went wrong and who is to blame, but I hope that this morning we will get a clear sense from the Bush Administration of what they see as the way forward for the U.S. and our allies in the region.

In my own view, I believe that Prime Minister Sharon is correct: violence cannot be a negotiating tactic in a peace process. And as Secretary Powell said in his speech before AIPAC last week, "Leaders have the responsibility to denounce violence, strip it of legitimacy, stop it." I couldn't agree more. This is one thing Chairman Arafat could easily do, yet he has not. The fact that he has not, undermines the historic basis for Congressional support of U.S. sponsorship of the Middle East peace process. That basis is the explicit renunciation, in word and deed, by the Palestinians of all forms of violence to achieve their national aspirations. In return for which we have accepted the Palestinian Authority as a diplomatic partner for peace. Instead, Chairman Arafat has embraced violence as a negotiating tactic. For our part, we learned that continued caution on the part of the United States government in condemning and sanctioning the Palestinian Authority for its brazen disregard of its principal obligation, amounts to encouraging intransigence, if not the outright resort to violence.

The United States, as the invited patron of the peace process, has every right to expect Chairman Arafat and the Palestinian Authority to call publicly and unequivocally for an immediate cessation of all attacks on Israel, its population, and its armed forces. Further, our nation should insist that the security forces under Chairman Arafat's control resume security cooperation with Israel, re-arrest security detainees released in October 2000, and take unmistakable steps to eradicate the local infrastructure of terrorist groups like HAMAS, Palestinian Islamic Jihad and Hizballah. Until the Palestinian Authority demonstrates a genuine commitment to peace with Israel, the United States must demonstrate that there is a heavy price to pay for the Palestinian decision to resort to violence to win their aims.

Turning to Iraq, it is clear to all that the international consensus for sanctions has broken down. In the Arab world we are accused of denying food and medicine to starving Iraqi children while our colleagues on the Security Council seek to position themselves for lucrative Iraqi oil concessions when and if sanctions are altered. Given the current state of affairs, I agree that it is incumbent upon us to fashion a new international consensus to contain Saddam Hussein, who, in my own view, remains a significant threat to the region. I will be interested to learn whether the new sanctions regime will result in changes to the "no-fly zones" and ultimately how support for new and limited sanctions meshes with our policy of regime change in Baghdad. But while we work to establish support for new targeted sanctions against Iraq, I think it is important that we be much more aggressive in our public diplomacy. We need to make it clear that we are not the ones responsible for the suffering of the Iraqi people. That responsibility lies with Saddam Hussein.

Another troubling development comes in the form of new agreements between Russia and Iran that will provide Iran with sophisticated missile systems, attack aircraft, helicopters, and tanks. Such agreements clearly show that Russia is no longer interested in exercising any restraint when it comes to conventional arms

sales to Iran. And while the signing of agreements isn't considered a sanctionable action under U.S. law, I hope that the Administration has pressed the Russians to abandon these sales, and failing that, will apply appropriate sanctions to Russia and retain or expand sanctions on Iran. In particular, I hope that the Administration will support reauthorization of the Iran Libya Sanctions Act.

One last point, Mr. Chairman, I hope that the Administration is making clear to Syria that the United States supports the full implementation of the Taif Accords, in particular with respect to Syria's withdrawal from Lebanon.

We have a lot to talk about this morning, so I look forward to hearing from Assistant Secretary Walker. Thank you.

PREPARED STATEMENT OF THE HONORABLE SHELLEY BERKLEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEVADA

Thank you Mr. Chairman, and thank you Secretary Walker for appearing here this morning. I ask that my statement be made part of the record. I would first like to associate myself with the statements of the distinguished Chairman and Ranking Member of the committee, Congressman Gilman and Congressman Lantos.

We are now more than six months removed from the Camp David meetings, where former Prime Minister of Israel, Ehud Barak, offered the most generous concessions in the history of the Middle East peace process to the Palestinian Authority's Chairman, Yasser Arafat. Chairman Arafat and the Palestinian leadership chose to reject those offers, walked away from Camp David, and have unfortunately walked away from the entire Peace Process.

The Oslo Accords, the basis for Middle East peace negotiations call for a cessation of violence, and a renunciation of terror by the Palestinian leadership. The past six months have unfortunately demonstrated that the Palestinian leadership is not only failing at containing and denouncing the violence, but is encouraging it, and at times planning and participating.

Let us be clear here today. The loss of life in the region is tragic and must end. It is up to the Palestinian Authority to stop the violence, because the simple truth is that they control the violence. And there is a difference between the losses on the two sides. The overwhelming majority of Palestinian losses have been people engaged in conflict, often armed, against Israeli military forces. The Israeli losses, on the other hand, have been civilians. People who are dying because they are Israeli and driving home from work, because they are Israeli and shopping at the local market, because they are Israeli and waiting at the bus stop, and in the worst case to emerge yet, because they are Israeli and only ten months old.

Given the recent history it would seem that the Palestinian leadership has reverted to terrorism, and I would suggest it is time for America to reassess our foreign policy with regard to the Palestinian Authority. It is time to send a message that the Palestinian leadership must choose between Hamas, Hezbollah and Saddam Hussein, or following through on ten years worth of agreements—refraining from violence and negotiating in good faith.

FOR IMMEDIATE RELEASE—MARCH 29, 2001—THE HONORABLE TOM LANTOS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA, AND RANKING DEMOCRATIC MEMBER, HOUSE INTERNATIONAL RELATIONS COMMITTEE, CO-CHAIR, CONGRESSIONAL TASK FORCE AGAINST ANTI-SEMITISM

FOR INFORMATION CALL: Matt Gobush—(202) 225-6735

LANTOS CALLS ON MUBARAK TO SPEAK OUT AGAINST ANTI-SEMITIC PRESS IN EGYPT

Congressman Tom Lantos (D-California), Ranking Democratic Member of the House International Relations Committee and Co-Chair of the Congressional Task Force Against Anti-Semitism of the Congressional Human Rights Caucus, today joined the Anti-Defamation League in condemning anti-Semitic media in Egypt, and called upon President Mubarak to speak out against it. Congressman Lantos' remarks came at a press conference during which the Anti-Defamation League released a new report documenting anti-Semitism in the Egyptian press.

"I am deeply disturbed by the anti-Semitic images that pervade the Egyptian media. As a new report from the Anti-Defamation League documents, Jews are regularly depicted in the Egyptian press as hook-nosed, money-hungry conspirators bent on world domination. The comparisons drawn between Israel and Nazi Germany are particularly offensive. And these hateful images are found not

only in independent press, but in government-backed press as well,” Congressman Lantos.

“A free press often yields political caricatures and exaggerations. But the virulent anti-Semitic drive emanating from Cairo is beyond the pale. It undermines the peace process by perpetuating the insidious myth of an international Jewish conspiracy aided and abetted by the United States. Such propaganda is antithetical to the peace process and inimical to U.S. national interests in the region.”

“All who strive for peace in the Middle East should be outraged by such hateful images. President Mubarak, however, has been conspicuously silent in this debate. Now is the time for the Egyptian leadership to publicly denounce anti-Semitism in the spirit of the Camp David Accords. Such rabidly anti-Jewish and anti-American speech must not go unanswered,” Congressman Lantos said.

“Egypt is an indispensable partner in peace. I am deeply grateful that the Egyptian people were the first in the Arab world to take the courageous step of normalizing relations with Israel. This proud legacy is threatened, however, as a new generation of Egyptians are saturated with anti-Semitic media. In the interests of peace, President Mubarak should speak out against anti-Semitism in Egypt now. As others have said, ‘Since wars begin in the minds of men, it is in the minds of men that the defenses of peace must be constructed,’” Congressman Lantos concluded.

Congressman Tom Lantos is the only Holocaust survivor ever to be elected to the United States Congress.

QUESTIONS OF THE HONORABLE ELIOT ENGEL FOR THE RECORD FOR ASSISTANT
SECRETARY FOR THE MIDDLE EAST NED WALKER

I am deeply concerned about the continuing Syrian presence in Lebanon and am deeply troubled by the large number of Lebanese citizens being held in Syrian detention centers. It is my understanding that the Syrian authorities have not provided any list of Lebanese citizens detained in Syria.

What is the United States doing to press the Syrians to provide a list of the Lebanese detainees? Is our government working to press Syria to release these individuals to the Lebanese authorities?

Recently, news services reported that the Lebanese were building a pumping station on the Hasbani River. While the amount of water being diverted to nearby villages is small, I am concerned that Israel had no prior notice of this action.

Given that water and river diversions affect the most serious interests in the Middle East, what is the United States position on the recent water diversion from the Hasbani River? Has the United States communicated to the Lebanese and Syrian governments that it views uncoordinated river diversions with the utmost seriousness?

What steps can the United States and the international community take to increase the water resources available to Israel and its neighbors to lessen the risk of conflict in the future?

Saudi Arabia will soon be considered for membership in the World Trade Organization. As such, I am deeply concerned about the unresolved commercial claim of Hill International, Inc. Hill International performed work on desalination facilities in Yanbu in the early 1980's, pursuant to Section 9140 of the 1993 Defense Appropriations Act (Public Law 102-396). The Kingdom of Saudi Arabia should be aware that the United States believes that full payment of Saudi Arabia's \$96 million debt owed to Hill International is critical if our country is to support their application to the WTO.

What steps has the State Department and the United States government taken to bring about a successful resolution of the Hill International claim? What actions is the U.S. government planning to resolve the claim? Does the United States believe that this claim should be fully resolved before Saudi Arabia enters the WTO?

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Thursday March 29 8:17 AM ET

Arafat Says Uprising Will Continue[Audio/Video](#)

By GREG MYRE, Associated Press Writer

Full Coverage
In-depth coverage about

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Since late September, 446 people have been killed in Israeli-Palestinian fighting, including 365 Palestinians, 62 Israeli Jews and 19 others.

The bombardment was the first military strike ordered by Prime Minister Ariel Sharon ([news - web sites](#)). The United States implicitly criticized Israel, saying there was no military solution to the Israeli-Palestinian conflict. That reaction came hours after the United States, standing by Israel, used its first U.N. veto since 1997 to kill a Security Council resolution backing a U.N. observer force to help protect Palestinians.

Israeli Foreign Minister Shimon Peres said the rocket attacks were intended as a "very serious warning, mainly to Force 17," which Israel has accused of involvement in attacks on Israeli civilians. The security service is on Arafat's payroll, "and he has to bring them in line," Peres told Israel army radio.

Arafat responded that the Palestinian people would not be cowed by the rocket attacks or other Israeli measures, such as blockades of Palestinian towns.

"Our people will continue the Al Aqsa uprising until we raise the Palestinian flag in every mosque and church and on the walls of Jerusalem," Arafat said after his motorcade stopped briefly near the scorched mobile homes that are part of the Force 17 headquarters. Arafat was on his way back from the two-day Arab League summit in Amman, Jordan.

Peres, meanwhile, acknowledged that the United States had not been warned of the rocket attack, despite Sharon's promises to President Bush ([news - web sites](#)) that the Israeli leader would not surprise him.

"What happened was not in the nature of a surprise,"

Journal (Mar 28, 2001)

- [The Right of Return: An Israeli Perspective](#) - iviews.com (Mar 28, 2001)
- [Trying to out-brutalize each other](#) - Ha'aretz (Mar 28, 2001)

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Related Web Sites

- [UN Information System on the Question of Palestine \(UNISPAL\)](#) - collection of the United Nations documents relating to the question of Palestine and the Arab-Israeli conflict in the Middle East since 1947.
- [U.S. Department of State: Middle East Peace Process](#) - features an index of statements and information through Jan 20, 2001.
- [Permanent Mission of Israel to the United Nations](#) - includes information and updates about the Peace Process, arms control, and human rights.
- [Permanent Observer Mission of Palestine to the UN](#) - includes history, the Palestine Liberation Organization (PLO), the Middle East Peace Process, and resources.
- [Palestinian National Authority](#) - includes information about the peace process, an archive of Palestinian leaders' speeches, and information on foreign affairs.

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Magazine Articles

Peres said. "We've had two terrible days, the entire country," he added, referring to a shooting attack and two suicide bombings that killed a 10-month-old Israeli girl and two teen-agers and left scores wounded.

Islamic militants claimed responsibility for the suicide attacks, while Israel has blamed the Tanzim militia linked to Arafat's Fatah ([news - web sites](#)) movement for the death of the baby. Israeli security officials have said Force 17 was involved in earlier shooting attacks on Israeli civilians.

Peres acknowledged that Israel's range of responses was limited. Under Sharon's predecessor, Ehud Barak ([news - web sites](#)), Israel had also rocketed Palestinian targets. But

- [Israel: Murder in Cyberspace](#) - Newsweek (Mar 25, 2001)
- [Where's Arafat?](#) - Salon (Mar 8, 2001)
- [Ramallah, West Bank, Feb. 9, 2001](#) - NY Times (registration req'd) (Mar 4, 2001)

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eggs at them.

Palestinian officials said Israel was trying to impose its political will on the Palestinians with the attacks. Sharon has proposed negotiating a long-term interim deal, an offer the Palestinians have turned down.

"We will not wave a white flag. We will not stop our uprising," said Hussein al-Sheikh, a leader of Arafat's

News Sources

- [Yahoo! News Search](#)
- [BBC: Middle East Crisis](#)
- [Washington Post: Mideast Peace Process](#)
- [CNN: Struggle for Peace](#)
- [Arabic Media Internet Network](#)